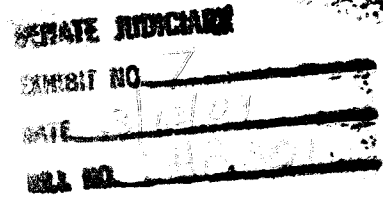


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61<sup>st</sup> Legislature  
Senate Judiciary Committee  
State Capitol, Room 152  
Helena, MT 59620

Re: HB 301 "An Act Including Reasonable Paralegal Fees As A  
Component Of Attorney Fees That May Be Awarded To A Prevailing  
Party In Certain Cases; Defining "Paralegal"

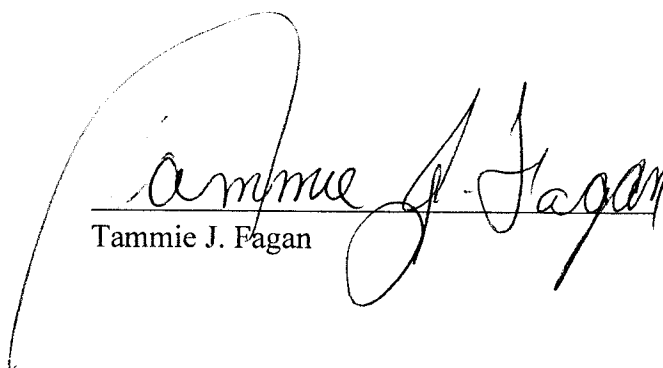
Dear Mr. Chairman and Members of the Committee:

I am testifying before you today as Vice-Chair of the Paralegal Section of the State Bar of Montana, in support of HB 301, sponsored by Representative, Deborah Kottel. I am a contract paralegal with the Legal Services Developer Program; we contract with the Area Agencies on Aging and provide legal services throughout Montana to those that are 60 and older. It is our goal to provide access to justice to the elderly community.

When the Paralegal Section determined it was time to draft a bill to include reasonable paralegal fees as a component of attorney fees, I asked myself does this bill affect the program I contract with. In searching for a connection I realized that the impact was quite simple. Our program refers cases or clients to attorneys after we have determined that a simple call cannot resolve their issue or dispute. After we have made that determination, we move them through our program to determine if they qualify for Pro Bono, Modest Means or Full Pay representation. Let's assume they have gone through the litigation process and are the prevailing party. As the prevailing party they are awarded attorney fees. As the law is now, paralegal fees cannot be awarded; so the firm litigating the case had utilized paralegals to help assist in keeping the cost down to the client upfront; however it has become a detriment to them later as they are awarded their attorney fees as a prevailing party. Can you imagine being an elderly client, living on a fixed income, forced into litigating a case; however prevailing and being awarded your attorney fees. Now, you are presented with a billing invoice for the paralegal fees, consisting of several thousands of dollars, for work done on the case. You will be making monthly payments for years to pay off that billing invoice.

Passing this bill will also help keep the cost of litigation down for the non-prevailing party. If the litigating parties utilize paralegals, the cost of litigation is minimized, benefiting the non-prevailing party, should the award of attorney fees and paralegal fees occur.

The legal profession is constantly trying to keep the cost of fees to a minimum. If this bill passes it will allow the litigation attorneys to provide more efficient and less expensive legal services to their clients.

A handwritten signature in cursive script, reading "Tammie J. Fagan", is written over a horizontal line. The signature is fluid and stylized, with a large initial 'T' and 'F'.

Tammie J. Fagan